Major Research Project on

IMPACT OF CONSUMER SATISFACTION ON CONSUMER LOYALTY: AMAZON VS FLIPKART

Submitted by

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<u>CERTIFICATE</u>

This is to certify that the thesis titled **"Impact of consumer satisfaction on consumer loyalty: A comparative study on Amazon vs Flipkart"** has been submitted and is true to the best of my knowledge and abilities. The work is carried out by Ms. Nishita Sharma under the guidance and has not been submitted in half or full to any other university. All assistance or help received during the study has been duly acknowledgment by her.

Ms Anushka upadhyaya

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DECLARATION

I, Nishita sharma (2K23/UMBA/70) hereby declare that the project work"Impact of consumer satisfaction on consumer loyalty : a comparative study on amazon and flipkart" submitted towards partial fulfillment for the award of degree of Master of Business Administration (General) is a Bonafide record of the project work carried out by us during the academic year 2024-25 under the supervision of Ms. Anushka Upadhyaya.

I affirm that this project work is original and has not been presented or submitted anywhere else for academic or professional purposes. All sources of information used in this project have been duly acknowledged and cited.

NISHITA SHARMA

<u>ABSTRACT</u>

This study explores the relationship between customer satisfaction and customer loyalty, specifically in the context of two leading Indian e-commerce platforms—Amazon and Flipkart. In today's customer-centric business landscape, satisfaction is a vital benchmark that helps organizations evaluate their performance and enhance their offerings based on consumer feedback. A satisfied customer is more likely to return, recommend the service to others, and develop a lasting connection with the brand.

Customer satisfaction not only signals potential for repeat business but also acts as a warning system when experiences fall short. Through this lens, satisfaction becomes a crucial indicator for identifying strengths and pinpointing areas that require improvement. The research highlights the importance of retaining customers, especially considering the higher cost of acquiring new ones and the value that long-term customers bring in terms of profitability.

The study involved a structured questionnaire distributed among 100 respondents, aiming to understand purchasing behaviour and examine how satisfaction affects loyalty. The findings suggest that customer loyalty is influenced by the consistency of positive experiences, trust, and value perception. Ultimately, this research reinforces that businesses must prioritize customer satisfaction as a strategic tool for nurturing loyalty and securing long-term growth.

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CHAPTER 1: INTRODUCTION

This whole part presents an overview of the research study, which investigates the works as influence of consumer satisfaction on loyalty through a comparison between Amazon and Flipkart.E-commerce of supple chain refers to transfer conducted over the web where goods and services are exchanged. With the advancement of digital technologies, businesses are now better equipped to handle various functions such as processing orders, managing customer support, collecting marketing data, and implementing feedback mechanisms effectively. This research aims to critically examine and compare the degree of customer satisfaction and loyalty observed on two leading e-commerce platforms in India.

Both platforms have gained widespread recognition among Indian online shoppers. A structured survey was conducted to determine the factors that shape satisfaction and loyalty among consumers in the digital marketplace. Primary data collected from 100 participants using a detailed question. The study focuses to analyse customer buyers patterns & evaluate how satisfy contributes to the development of loyalty in the context application of Amazon and Flipkart. Consumer loyalty often stems from positive brand attitudes and frequent repurchases. The internet allows people to access a wide range of products such as electronics, apparel, books, and household items. Over the years, online shopping has become a preferred choice, especially due to its ease and convenience, attracting both young and adult shoppers.

According to a 2010 study conducted by Nielsen involving 27,000 online users from 55 countries, books and apparel were reported as the most commonly purchased online items. Online marketplaces now offer mobile-friendly websites and applications, facilitating easy purchases through smartphones and expanding customer access. This shift has drastically changed consumer behavior and shopping patterns.

In the Indian retail sector, Amazon and Flipkart compete vigorously for market share. Each brand brings distinct advantages, but the key challenge lies in adapting to Indian consumer preferences. While Amazon leads the U.S. market, India presents a unique, highly competitive space. Flipkart, launched in 2007 by ex-Amazon employees Sachin and Binny Bansal, offers over 80 million products across more than 80 categories and serves around 100 million users. Amazon, however, offers more extensive product listings—over 168 million in India alone. With projections estimating the Indian e-commerce sector to reach $200 billion by 2026, both platforms are investing heavily in logistics and infrastructure. Flipkart has expanded through acquisitions like eBay India, PhonePe, and Myntra, while Amazon has focused on local logistics and partnerships to broaden its network. Flipkart's stronghold in non-metro areas gives it an advantage, as nearly 45% of its sales originate from smaller towns. Amazon, on the other hand, has successfully built brand loyalty in urban areas with offerings like Amazon Prime, which saw rapid growth in 2017.

Amazon has also launched creative campaigns like the Amazon Chai Cart, a mobile tea cart initiative that reached out to small business owners and educated them about

online selling. In the end, customer satisfaction remains central to sustaining profitability and building long-term loyalty among consumers.

1.1 Background of the Study

Every organization aspires to accomplish goals such as increasing profits, achieving business growth, enhancing product visibility, and ensuring customer satisfaction. Among these, profit generation is closely tied to the retention of customers, which is heavily influenced by their satisfaction levels.

Customer loyalty represents a firm's ability to consistently meet or exceed the expectations of its consumers. When customers are satisfied, they are more inclined to support a brand by recommending it to others. On the contrary, unhappy customers can potentially harm a company's image. Therefore, recognizing and maintaining customer satisfaction becomes vital for sustained growth and competitiveness in the market.

Many researchers have highlighted that long-term business achievements are often the result of effectively addressing customer needs. Evaluating customer satisfaction levels helps companies understand how well they are fostering loyalty and managing customer relationships in a competitive environment.

1.2 Aim and Objectives of the Study

The aim of thesis is to develop a theoretical model that illustrates how customer satisfaction influences brand loyalty, specially focusing on the base of Amazon and Flipkart services.

Objectives:

- To look over the effect of consumer satisfaction on brand loyalty.
- Assess how satisfaction shapes loyalty in the online retail environment.
- To analyse the power of the relation between satisfaction and loyalty.
- To explore how loyalty is shaped by satisfaction when consumers evaluate platforms.
- To understand the operational strategies used by Amazon and Flipkart in India.
- To examine customer opinions and preferences while shopping on both platforms.
- To conduct a detailed comparison between the two e-commerce brands.

1.3 Hypotheses Study

The research put forward the stated hypotheses for test statistically:

H1: Customer satisfaction levels are not significantly different across various demographic segments.
  - **H1a:** Satisfaction levels do not differ across age categories.
  - **H1b:** Satisfaction levels do not differ based on educational background.

H2: Customer loyalty does not vary based on demographic characteristics.
   - **H2a:** Loyalty remains consistent across different age groups.
   - **H2b:** Loyalty remains consistent across educational backgrounds.

H3: Customer satisfaction has no direct effect on loyalty to the platform.

1.4 Sample of the Study

This study relies on primary data collected from 100 participants who are regular users of either Amazon or Flipkart. A structured questionnaire was used to gather responses that reflect customer experiences and behavior.

1.5 Measurement Procedures

Independent Variable: Consumer Satisfaction
Consumer satisfaction was measured through survey questions and rating scales. These responses help organizations understand customer expectations and where improvements can be made.

Dependent Variable: Consumer Loyalty
Customer loyalty refers to the probability of continued purchases and long-term engagement with a brand. It is influenced by the user's experience, level of trust, and the perceived value received.

Demographic Variables:
Gender, age, and educational background were selected as the primary demographic indicators. Past studies suggest these variables might influence satisfaction and loyalty, so they are analyzed in this research to identify potential correlations.

1.6 Research Methodology

The primary aim of the research is to ensure whether or not consumer satisfaction perceptions influence loyalty of consumers in context of Amazon and flipkart platforms. This chapter employs a hypothetico-deductive research design, wherein theoretical foundations guide the formulation of logical connections between key constructs, leading to the development of a conceptual framework. Based on this framework, hypotheses are formulated, and empirical data is collected to validate or refute them. The hypothetico-deductive method in this research involves the use of quantitative data analysis techniques to determine relationships, forecast outcomes, and evaluate hypotheses. Data was gathered through a structured survey questionnaire administered to customers of Amazon and Flipkart in India. To analyze the data quantitatively, multivariate statistical tools were applied. Initially, the questionnaire's reliability and validity were examined using Cronbach's alpha and exploratory factor analysis. T-tests and ANOVA were conducted to evaluate the mean score differences of the three variables across various demographic categories. Correlation analysis was employed to examine the relationships among the variables. Furthermore, stepwise regression and path analysis were utilized to assess and validate the proposed hypotheses.

1.7 Structure of the project

The research report consists of 5 chapters systematically researched.

It has following topics:

Chapter 1: introduction

Chapter 2: literature review

Chapter 3: research methodology

Chapter 4: data analysis

chapter 5: Results and conclusion

CHAPTER 2: LITERATURE REVIEW

This subject matter has captured significant attention from researchers globally. The significance of customer satisfaction cannot be overestimated, as it directly affects consumer loyalty. In service industries, a strong focus is placed on understanding the relationship between service quality perceptions and customer satisfaction (Cronin & Taylor, 1992; Taylor & Baker, 1994). Many scholars have said that service standard is a vital aspect of satisfaction for the brand through consumers. Essentially, they only stay connected to a company, if they meet their expectations. Faizan et al. (2011) suggested that satisfaction is a critical measure of how well a company's offerings meet customer needs, while loyalty reflects the likelihood of repeated purchases and ongoing engagement with the brand. They argued that customer satisfaction has a reasonable effect on loyalty, and that loyalty cannot launch without satisfaction.

Rahim et al. (2012) emphasized that consumer satisfaction is crucial for the success of marketing strategies. Oliver (1999) acknowledged that consumer satisfaction remains an essential goal for businesses, while Yi (1991) defined it as the collective result of customer perceptions, evaluations, and emotional responses to their consumption experiences. Lin and Yen (2010) argued that consumer satisfaction represents the benefits customers gain relative to the cost. Research has shown that satisfied customers are more likely to remain loyal (Zeithaml et al., 1996; Bloemer et al., 1999; Oliver, 1999). They established a strong positive correlation between satisfaction and loyalty. Reicheld (1996) pointed out that companies are willing to invest in businesses that provide superior value compared to competitors. Rahim et al. (2012) corroborated this by showing that customer satisfaction and loyalty are interdependent and positively correlated.

The standard of by-products or requirements plays a vital role in engaging satisfy consumers. Several researchers have defined service quality in terms of various factors, such as performance, reliability, durability, and customer-perceived value (Yuen & Chan, 2010). Numerous studies have indicated a strong, positive relationship between service quality and customer satisfaction (Haghighi et al., 2012; Kuo et al., 2009; Gonzalez et al., 2007; Zhao et al., 2012). Roger (1996) suggested that customer satisfaction significantly influences loyalty, which in turn impacts profitability. Well-known proponents of this view include Anderson and Fornell (1994), Gummesson (1993), Heskett et al. (1990, 1994), Reicheld and Sasser (1990), and Rust et al. (1995). Roger (1996) emphasized that a strong relationship exists between satisfaction and loyalty, which directly impacts business profitability.

Bernhardt et al. (2000), Zeithaml et al. (1990), and Gursoy & Swanger (2007) noted that in the service sector, customer satisfaction is fundamental to business operations and often regarded as an essential component of day-to-day practices. Work-based company cannot thrive unless ensuring customer satisfaction. Satisfaction ultimately leads to customer loyalty, a crucial factor for long-term success. Ibojo et al. (2013) emphasized that organizations must focus on providing the right level of satisfaction

to gain their main objectives, particularly profit margin. Particurly result that there is a significant relation between customer satisfaction and success.

Customer loyalty, in turn, provides mutual benefits to both firms and customers (Reicheld & Detrick, 2003). Loyal customers generate higher profits as they tend to make more frequent purchases, explore new products or services, recommend offerings to others, and offer constructive feedback (Reicheld & Sasser, 1990). Yu et al. (2012) highlighted that customer satisfaction significantly impacts loyalty, a concept increasingly studied by both academics and practitioners. For financial institutions, customer satisfaction is key to building loyalty and improving overall presence of the company.

Value proposition of customer satisfaction can never be underestimated, as satisfied consumers act as true promoters, often referred to as "brand advocates." Many companies are shifting towards customer-centric strategies, placing the consumer at the heart of their business operations. The truth remains that it is more benefited to retain registered customers than to acquire others. Organizations are adopting to ensure customer retention via stats, focusing on being more customer-oriented and service-driven. Customer satisfaction is essential in ensuring that a business thrives in the long run, as one dissatisfied customer can potentially damage the brand's reputation more than multiple satisfied customers can benefit it.

As organizations focus on customer retention, the more attention they pay to customer satisfaction, the more successful their long-term business growth will be. According to the size of an organization, it is widely recognized that referrals typically come from loyal customers. Customer satisfaction should therefore be a priority for any business looking to boost customer loyalty and retention. However, businesses that focus solely on satisfaction may risk becoming indistinguishable from their competitors, providing only the minimum expected service. Long-term customer loyalty requires a brand to exceed basic satisfaction and foster deeper connections that will protect it from competitors (Clarke, 2001).

Sivadas and Baker-Prewitt (2000) pointed out that simply satisfying customers is not enough. According to Reichheld (1996), 60–80% of customers who defect to competitors claim they were either satisfied or very satisfied with the products or services they left behind. Therefore, ensuring customer satisfaction alone does not guarantee loyalty. Bowen and Chen (2001) argued that for businesses to truly secure loyalty, customers must be extremely satisfied. Customer satisfaction alone cannot guarantee that customers will stay loyal, especially in competitive industries. To conclude it, customer satisfaction plays a unique role through establishing loyalty, but it is not an automatic predictor of loyalty. Understanding and acting on the act between satisfaction and loyalty remains critical for businesses to survive and thrive in competitive markets.

It also provides Literature review that enables a clear understanding of the research topics, identifies the major studies related to the research area, draws clear conclusions and demonstrates relevance and importance of the research problems (Hart, 1998).

Shilpa Arora and Suman Preet Kaur (2015) conducted a comparison study of two prominent commerce websites in India. With the global rise in internet usage, the number of online shoppers has steadily increased, opening opportunities for both international and local e-commerce platforms. Projections suggest that by 2015, the number of internet users in India will reach 39 million, driven by greater internet penetration and more secure e-commerce systems. The influence of e-commerce is evident in various sectors, reshaping industries worldwide. The study primarily focuses on two key players in the Indian e-commerce space—Flipkart and Amazon. It delves into their market positions and identifies the challenges each faces. The paper also forecasts the future of these platforms in the Indian market. Based on secondary data from various websites and newspapers, the study concludes that Flipkart holds a stronger market position in the current e-commerce landscape, while Amazon is rapidly expanding its operations to challenge Flipkart's dominance. Several parameters are considered in analyzing the performance of these two platforms.

Sheeba Praveen, Prof. (Dr.) Devendra Agarwal, and Sumaiya Faizyab (2015) examined the evolution of e-commerce portals in India, particularly focusing on Flipkart and Amazon, the leading e-business platforms in the country. E-commerce has gained significant traction in India, with consumers increasingly adopting online shopping platforms. The study highlights the uniqueness of various e-commerce portals, particularly in terms of their features and website design. The authors identified three key business models that have emerged in the e-commerce sector, each with its strengths and weaknesses. Other business models are essentially combinations of these three foundational models. This paper offers a comprehensive analysis of the strategies and features that define the success of leading platforms in the Indian e-commerce market.

K. Francis Sudhakar and Habeeb Syed (2015) conducted a comparison study between both. The web has become an essential tool for personal and professional needs, transforming the way people work and shop. The integration of many tools has facilitated businesses in managing orders, pay checks, service, marketing data collection, and online experience. These activities collect and define e-commerce or internet commerce. Online shopping has simplified the buying process, offering a lot of products in a user-friendly manner. The study aims to critically analyse the business strategies of two leading e-commerce giants in India. The comparison includes aspects such as e-commerce challenges, business models, funding, revenue generation, growth strategies, survival tactics, online shopping experiences, differentiation, and product offerings. Both Flipkart and Amazon have made significant strides in the Indian market, but the study raises the question of which platform will ultimately emerge as the market leader. The comparative analysis of both sheds light on the different strategies and opportunities available for success in India's rapidly growing e-commerce market.

Swapnil V. Mishra and Dr. Shamkant N. Kotkar (2015) conducted a study on the current state of e-commerce in India, focusing on a comparative analysis of Flipkart and Amazon. E-commerce has reached the common Indian household, marking a significant shift in the way commerce is perceived. Technological advancements and reduced geographical barriers have contributed significantly to the rapid growth of e-

commerce, surpassing expectations of many analysts. Despite the achievements, e-commerce in India is still in its early stages and has much room for further development.

2.1 Consumer Satisfaction

Consumer satisfaction is stated as the process of you pleased customers combine a company's offerings, work, and overall performance. It includes surveys and evaluations, which provide valuable response for companies to positively increase their services. The research focuses on understanding the satisfaction levels of consumers who shop online through Amazon and Flipkart. E-commerce platforms like these offer competitive prices, user-friendly interfaces, timely delivery, easy returns, and high-quality products, contributing to positive consumer experiences.

The aim of this study is to analyse consumer satisfaction while shopping on Amazon and Flipkart, understanding what consumers expect from these platforms, and evaluating the services provided. Using a survey method, 100 responses were gathered. This study is primarily descriptive, focusing on customer feedback to evaluate their experiences and satisfaction levels. Consumer satisfaction is recognized as one of the main factors for business progress. It reflects how well a company's products job meet expectations and also a critical inventor of future purchasing intentions and customer loyalty.

Providing exceptional customer service is essential in creating brand recognition and trust among the target audience. With the growing influence of social media on customer decisions, businesses must always monitor the quality of their customer service. Effective customer service influences consumer satisfaction and impacts customer retention and repurchase behaviour. For example, when customers purchase a car, they often examine its features, model, condition, and mileage to avoid disappointment later. If the company relies solely on promotional materials, consumers might feel misled if the product does not match expectations, leading to negative feedback.

Customer satisfaction also serves as a predictor of future behaviour. Satisfied customers tend to make repeat purchases and act as ambassadors by sharing their positive experiences with others, helping businesses expand their customer base (Hague & Hague, 2016). Retain previous consumer are more cost-effective approach than acquiring new consumers. Thus, companies must nurture relationships with their audience to build long-term loyalty. As the report of both services and products continues to improve, customer satisfaction becomes even more vital for sustaining competitive advantage.

Ultimately, consumer satisfaction is not only about meeting customer expectations but also delivering exceptional value across all aspects of the service, from product offerings to customer interaction. Companies must invest in understanding their customers' needs and continually work on improving their services to maintain a loyal customer base. Trust, transparency, and consistent quality are the cornerstones of effective customer service.

2.2 Consumer Loyalty

Loyalty has long been linked to continuous purchases and sustained engagement with a brand. According to Glinkskienė, Kvedaraitė, and Kvedaras (2010), the concept of loyalty in marketing has evolved from mere repurchase behavior to a broader concept that encompasses emotional attachment and commitment. Consumer loyalty is now recognized as an essential factor for long-term business success, helping brands retain customers, generate repeat sales, and benefit from positive word-of-mouth. Loyalty is not just about repeat purchases; it's about building a strong, ongoing relationship with customers based on trust, satisfaction, and the overall value provided by the company. In recent years, the definition of customer loyalty has evolved, with growing discussions about the emotional and psychological aspects that drive loyalty. It is not just about the actions of customers, but also about the underlying emotional reasons for these behaviors. In the context of business, loyalty refers to the commitment customers show towards a particular brand or organization, leading to repeat purchases of that brand's products or services. Relationship marketing principles are based on the idea that consistent, positive interactions between a company and its customers can foster loyalty over time.

Loyalty can be analyzed from both a corporate and consumer perspective. Customer Relationship Management (CRM) and marketing research focus on strategies companies should employ to retain their customers. A loyal customer is someone who consistently chooses to purchase from one company and does not easily switch to competitors (Dudonis, 2012). Pranulis, Pajuodis et al. (2012) define loyal customers as those who display a strong preference for a particular brand (brand loyalty) and are consistent in their choice of store (store loyalty). A loyal customer can be identified if they:

- Stay loyal to the company over time.

- Regularly purchase new products offered by the company.

- Create a positive image of the company, influencing others to buy.

- Show indifference to competitors' actions.

- Are less sensitive to price changes.

- Tolerate occasional mistakes made by the company.

- Willingly provide feedback and suggestions for improvement.

While not every loyal customer needs to meet all of these criteria, fulfilling some of them is necessary for a customer to be considered truly loyal. Loyalty can be both emotional and rational. Rational loyalty often involves loyalty programs, such as rewards, coupons, and discounts, which encourage customers to make purchases. However, this type of loyalty is often short-lived, lasting only as long as the program itself. Emotional loyalty, on the other hand, is rooted in the positive experiences customers have with a brand. These experiences help establish long-term loyalty, as the positive emotions associated with the brand encourage repeat purchases.

Behavioral loyalty, based on repeat buying behavior, can sometimes overlook the emotional factors that drive customer satisfaction. The cost of acquiring new

customers is much higher than retaining existing ones. Loyal customers can also act as brand advocates, recommending the company to others and helping to attract new customers. Customer loyalty doesn't increase automatically but requires thoughtful strategies and attention to customers' needs. Building loyalty involves customer-centric approaches that address both the emotional and rational aspects of customer behavior.

Customer loyalty is built over time through various interactions. It is important for businesses to nurture this relationship as part of their long-term strategy. According to Gremler and Brown (1999), customer loyalty can be classified into three types: behavioral loyalty, intentional loyalty, and emotional loyalty. Behavioral loyalty refers to repeated purchases, while intentional loyalty reflects a customer's intention to buy in the future. Emotional loyalty occurs when a customer feels that the brand aligns with their personal values, beliefs, and passions.

In order to foster loyalty, companies need to pay attention to product quality, pricing, promotions, and services. At the same time, creating a comfortable and engaging environment for customers is essential. Investing in loyal customers brings substantial benefits, including improved effectiveness and profitability. Customer loyalty is often viewed as a key driver of business success, with loyal customers leading to sustained sales and reduced marketing costs.

Customer loyalty is essential because it directly correlates with an enterprise's long-term profitability. It plays a critical role in helping businesses maintain their market share, as loyal customers not only repurchase but also refer the brand to others (Li, 2004). Loyal customers are valuable resources, saving companies money on advertising and promotional efforts while also spreading positive word-of-mouth. Thus, customer loyalty should be a key focus for managers aiming to secure long-term business growth and stability.

2.3 **The Evolution of Consumer Relationships**

Relationships between firms and their customers, much like other social relationships, tend to evolve over time. Scholars have suggested that marketing exchange relationships between providers and customers can evolve from strangers to acquaintances, to friends, and eventually to business partners (Johnson & Selnes, 2004). These stages can be broken down as follows:

1. **Customers as Strangers:** At this stage, the firm is attempting to attract potential customers by raising awareness of its offerings. Marketing efforts focus on making the firm known and encouraging potential customers to try its products or services.

2. **Customers as Acquaintances:** Once the customer has interacted with the firm, they transition into acquaintances. At this stage, the company needs to build a relationship based on satisfaction and fair value. A relationship is only successful as long as the customer remains satisfied and perceives the value of the exchange.

3. **Customers as Friends:** When the customer continues to engage and derive value from the relationship, the firm should gather more detailed knowledge about their preferences and needs. The goal at this stage is customer retention through personalized experiences.

4. **Customers as Partners:** At this stage, trust and commitment have been established, allowing the firm and the customer to engage in a deeper, more collaborative relationship. To reach this stage, firms must use customer insights to offer highly customized products and services.

2.4 **E-commerce Service Quality**

E-service quality, a concept introduced in 2002 (Zeithaml et al., 2002), refers to the quality of service provided by online platforms, assessing how effectively they facilitate shopping, purchasing, and product delivery. As e-commerce continues to grow, websites have become a central part of the business, influencing customer behavior and expectations.

E-commerce companies must recognize that customers expect the same or higher levels of service quality than traditional shopping channels. Lee & Lin (2005) identified several factors influencing customer perceptions of e-service quality, including website design, reliability, responsiveness, trust, and personalization. In order to measure these factors, frameworks like WEBQUAL and e-SEQUAL have been developed. WEBQUAL includes measurements like user interface, visual appeal, and communication, while e-SEQUAL assesses service quality based on dimensions like reliability, satisfaction, and security.

By focusing on these aspects, e-commerce businesses can ensure that they meet or exceed customer expectations, building long-term customer loyalty and achieving success in the competitive online marketplace.

Today's fruitful firm finds out what clients need and makes it –rather than making something the company needs and trusts that people will purchase (Sterne, 2000). Customer loyalty plays a crucial role in determining the success of businesses, particularly in today's highly competitive markets. The definition of loyalty has evolved over time, with the understanding that it is not only about the act of repeat purchases but also about the psychological reasons behind these actions. In business terms, customer loyalty refers to a customer's ongoing commitment to purchase products or services from a particular brand or company, leading to frequent and repeated transactions. The concept of relationship marketing is based on the idea that businesses can build customer loyalty by creating positive, long-term interactions with their customers.

From a company's perspective, managing customer loyalty requires implementing strategies that focus on maintaining a loyal customer base. This can include customer relationship management (CRM) systems, loyalty programs, and personalized marketing efforts aimed at keeping customers engaged. Customers who display loyalty to a company can be identified by various behaviors such as repeat purchasing, recommending the brand to others, and being less sensitive to competitor offers or price changes. Pranulis and Pajuodis et al. (2012) highlight that loyal customers tend

to show preferences for specific products or brands and are more inclined to continue their relationship with the company.

Customer loyalty can be broadly categorized into three types: behavioral loyalty, intentional loyalty, and emotional loyalty. Behavioral loyalty is characterized by consistent purchasing behavior, while intentional loyalty refers to the likelihood of future purchases. Emotional loyalty, on the other hand, develops when a customer feels that the brand aligns with their values, interests, and passions. Although rational loyalty (such as that driven by loyalty programs or discounts) is important, it may only last as long as the incentives are offered. Emotional loyalty, however, is more likely to create lasting brand devotion.

It is often more cost-effective for businesses to retain existing customers than to acquire new ones. Loyal customers tend to generate positive word-of-mouth and may even influence others to make purchases. Furthermore, loyal customers are less likely to be swayed by competitors, which is why maintaining customer loyalty is crucial for sustaining long-term profitability.

The relationship between a business and its customers evolves over time. Initially, customers may only be familiar with the business, but as they engage with it, they can progress through different stages of relationship development. According to Johnson and Selnes (2004), businesses can transform customer relationships from mere acquaintances to friends and, eventually, to partners. The more personalized and tailored the interactions, the stronger the relationship becomes. This process of evolving from strangers to partners is vital for maintaining customer loyalty and fostering trust and commitment.

E-commerce has added a new dimension to customer relationships. Online businesses are continuously striving to offer higher levels of service quality to satisfy their customers' expectations. The rapid development of e-commerce has led to the rise of websites that are designed to provide efficient and effective shopping experiences. Websites like Amazon and Flipkart are examples of successful e-commerce platforms that have developed strong customer loyalty through exceptional service quality and user-friendly interfaces. Customer satisfaction, which directly influences loyalty, is a key focus for these businesses.

E-commerce platforms must also consider factors like website design, reliability, security, responsiveness, and trustworthiness to ensure that customers' expectations are met. These elements contribute to the overall customer experience, which ultimately influences their purchasing behavior and willingness to remain loyal to a particular brand.

Customer satisfaction plays an important role in determining loyalty. It is the overall evaluation of a customer's experience with a product or service provider, compared to their expectations. According to the "expectation inconformity" theory (Oliva, Oliver & MacMillan, 1992), customers are more likely to be satisfied when the product or service exceeds their expectations. High satisfaction levels generally lead to increased loyalty and more frequent repurchase behavior, which, in turn, boosts profits for businesses.

Various factors influence customer satisfaction, including product quality, pricing, customer service, and individual perceptions. Psychological factors such as beliefs, attitudes, and motivations also play a role in shaping customer satisfaction. Understanding these factors can help businesses create strategies to enhance customer loyalty by providing value that resonates with their target audience.

In conclusion, customer loyalty is a vital component of business success. Companies that invest in building strong customer relationships, providing high-quality products and services, and offering personalized experiences are more likely to retain loyal customers and achieve long-term profitability. E-commerce businesses, in particular, need to focus on delivering exceptional service quality to maintain customer satisfaction and loyalty, which is essential in today's competitive marketplace.

Over the understandings the shoppers obtain, client grows opinions which can affect the shopping for behaviour. 32 32 The issues that affect client differ from individuals to individuals and by the values of the individuals. Later, for a palmy consumer-oriented marketplace facility supplier ought to effort as a man of science towards the obtain shoppers. By keeping in mind that touching features may remain created favourable and goal of shopper fulfilment may be accomplished. The research of shopper shopping for behaviour is entryway to achievement within the marketplace. Total, the outcome displays that whole copy (image), and understand worth, amount, well-being and quality effects client fulfilment.

2.5. Factors Influences Customer Loyalty

Customer loyalty is a critical component of consumer satisfaction. Numerous studies affirm that satisfaction and loyalty are interconnected. Satisfied consumers are more inclined to stay with a brand, while dissatisfied ones often switch to competitors. Understanding loyal customer behavior is essential—despite being satisfied, not all consumers demonstrate unwavering loyalty. Their attitude, preferences, and experiences with products or services significantly shape their loyalty status.

Loyalty can be categorized as behavioral or emotional. Behavioral loyalty refers to consistent purchase habits from the same provider, whereas emotional loyalty is rooted in trust developed through previous satisfactory interactions. An emotionally loyal customer continues with the brand not just out of habit, but from a positive perception based on past experience. Enhanced customer satisfaction tends to strengthen both types of loyalty.

Dissatisfaction can prompt consumers to voice complaints or shift toward competing offerings. For service providers, it is crucial to understand what customers value most and assess how their services are perceived. This involves evaluating the perceived value of the service relative to customer expectations. Perceived service value influences satisfaction and, in turn, long-term loyalty.

Product quality also plays a vital role. It encompasses characteristics such as performance, durability, reliability, and user satisfaction. When customers find the available range of products meets their expectations for these attributes, they are more likely to become loyal. Diverse offerings also allow businesses to cater to varied customer preferences, thereby boosting both satisfaction and loyalty.

Improving product offerings and delivering consistent service quality enables companies to enhance customer experiences. This approach leads to increased customer retention and loyalty, which are essential for business growth.

2.6 Importance of consumer satisfaction

Customer satisfaction plays a crucial role in business success, serving as a vital indicator for future performance and offering actionable insights. Through customer feedback, companies can evaluate their current operations and make strategic improvements. It also enables organizations to perform SWOT analysis, helping them identify internal capabilities and market challenges to grow in a structured manner. In addition, businesses rely on satisfaction metrics when deciding how to allocate resources during product development and service enhancement processes.

Understanding what customers expect helps companies strengthen relationships with their existing clientele and attract new buyers. When people purchase items, they typically prioritize quality over quantity. Given the abundance of similar products available, companies must clearly communicate their value propositions to stand out. As customer preferences vary, it becomes important for brands to recognize these differences and adapt accordingly, especially when catering to both domestic and international markets.

While many methods exist for evaluating satisfaction, there is no universal approach that applies globally. Nevertheless, customer feedback remains an essential measure. Retaining satisfied customers is often more cost-effective than acquiring new ones, as businesses save on marketing and advertising efforts. Satisfied consumers tend to return, make repeat purchases, and refer others, which boosts profitability and enhances brand reputation. On the other hand, unsatisfied customers may drive down revenue through negative feedback.

2.7 Management Approaches to Customer Expectation

Customer expectations serve as critical reference points when assessing service quality. They function as the standard customers use to judge whether their experiences align with what they anticipated. Therefore, recognizing and addressing these expectations is essential for businesses aiming to retain customers, optimize resources, and safeguard their brand reputation.

Expectations are typically formed based on previous interactions, word-of-mouth, or general assumptions about a company's offerings. When there's a gap between what customers expect and what they receive, dissatisfaction may occur. This disparity is known as the service gap. To bridge this divide, businesses must focus on both internal operations and external communication to ensure consistency in service delivery.

Service quality models suggest that minimizing the gap between expected and perceived service enhances customer satisfaction. One effective way to manage expectations is to gather and analyze detailed customer information—such as behavioral patterns, preferences, and feedback—which provides companies with data-driven insights to refine their offerings.

The Kano Model, from Japanese management theory, classifies customer needs into three categories: basic needs, expected needs, and delight or surprise needs. Each of these dimensions influences how a customer perceives service value. Because perceptions are highly individual and shaped by personal experience, businesses must tailor strategies to meet and exceed these evolving expectations.

2.8 The Relationship Between Satisfaction and Loyalty

The connection between customer satisfaction and loyalty is influenced by certain thresholds. According to Coyne (1986), when satisfaction crosses a specific level, customers are more inclined to develop loyalty. On the contrary, when satisfaction dips below a certain point, loyalty can decline just as sharply. This shows that the relationship is not always linear but influenced by how well businesses fulfill or exceed expectations.

Customer satisfaction is typically seen as an attitude—a reflection of the customer's evaluation of their experience—while loyalty is considered a behavior, shown through continued purchases and brand advocacy. As Chen and Wang (2009) point out, satisfaction stems from the comparison between what the customer expects and what they actually receive. A consistently positive experience increases the likelihood of repeat business and brand recommendation.

While satisfaction often serves as the foundation of loyalty, the journey from a satisfied customer to a loyal one is gradual. Customers pass through multiple stages in their relationship with a brand—from awareness to exploration, commitment, and possibly even disengagement (Arantola, 2000). Fornell (1992) and Chi (2005) both observed a positive correlation: greater satisfaction often results in stronger loyalty, which ultimately contributes to sustained revenue and profitability.

Extremely dissatisfied customers are often more vocal about their experiences, deterring others from engaging with a brand. On the other hand, highly satisfied customers—sometimes referred to as "brand apostles"—are deeply loyal and actively promote the brand. Thus, the link between satisfaction and loyalty is both powerful and critical to business longevity (Colgate & Stewart, 1998; Hocutt, 1998; Patterson & Spreng, 1997).

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research process adopted for the study. It includes a discussion on the philosophical foundation, data collection approach, analytical tools, and research design. It also explains how each stage contributes to testing the hypotheses and achieving the objectives of the study.

The philosophical stance of the research determines how knowledge is perceived and interpreted. This study follows a positivist approach that supports structured investigation, allowing for measurable and objective analysis of the relationship between satisfaction and loyalty.

3.2 Objectives of the Study

The research aims to understand how consumer satisfaction influences loyalty among Amazon and Flipkart customers. Specifically, it seeks to:

- Identify perceptions of satisfaction and loyalty.

- Examine the link between these two variables.

- Determine whether demographics like age, gender, and education affect satisfaction or loyalty.

3.3 Hypothesis Development

To test the associations between variables, the study proposes the following hypotheses:

- H1: No significant variation exists in satisfaction across demographic group.

- - H1a: Satisfaction levels do not differ across age categories.
    - H1b: Education level does not influence satisfaction.

- H2: Loyalty is not affected by demographic differences.
    - H2a: Loyalty remains consistent across age groups.
    - H2b: Loyalty does not vary by education level.

- H3: There is no direct impact of satisfaction on consumer loyalty.

3.4 Research Approach

A quantitative research approach was selected to evaluate the impact of satisfaction on loyalty. The process began with a literature review to build a conceptual model. Hypotheses were formulated based on gaps identified in existing research.

A deductive method was used, aligning with the positivist paradigm. The research involved collecting numerical data and analyzing it statistically to derive conclusions.

3.5 Research Design

This study adopts a cross-sectional and descriptive design, meaning data was collected at a single point in time and analyzed to describe patterns and relationships. This approach is appropriate for examining the influence of satisfaction on loyalty within a defined group of users.

The study was structured using the hypothetico-deductive model, where theories guided the formulation of testable hypotheses and data collection followed accordingly. This ensured logical coherence throughout the research process.

3.6 Research Instrument

Data was gathered using a structured questionnaire. The instrument included closed-ended questions to ensure consistency and facilitate analysis. The questions measured perceptions of satisfaction and loyalty, as well as basic demographic details of the participants.

The questionnaire was pre-tested to confirm clarity and reliability. It was designed to capture diverse user experiences across both Amazon and Flipkart**.**

3.6.1 Designing the Survey Questionnaire

A survey questionnaire captures individual views and attitudes as well as organizational practices (Baruch & Holtom, 2008). This study employed a questionnaire as its main instrument. Most of the questions were adapted from validated surveys used in past research, with necessary adjustments to suit this study.

The items included in the questionnaire correspond with the variables in the hypotheses. These adapted items were designed to gather data required for hypothesis testing. The researcher ensured that biased elements were minimized to maintain the depth and neutrality of responses.

3.7 Population and Sampling

In research terms, a population is a full group of individuals, teams, or institutions sharing a key characteristic relevant to the study. Sampling refers to the process of selecting specific individuals from that population. This study utilized random sampling involving employees from various companies.

Participants were from diverse gender backgrounds and varying organizational levels. The survey was distributed through personal contacts and professional platforms like LinkedIn.

A total of 100 responses were received, out of which 99 were found valid for analysis.

MissingData

Missing data is a frequent issue in research and can influence study results. It often arises due to lengthy questionnaires or accidental omission of items. According to

Fidell (2007), if missing data occurs in less than 5% of a random sample, the impact is minimal and many standard techniques can still be applied. This particular survey did not suffer from missing data.

Outliers

Outliers are scores that deviate significantly from the rest of the dataset. Hair et al. (2006) define them as unusually high or low values, or rare combinations that make data stand out. These can affect statistical calculations like the mean or standard deviation (Field & Hole, 2003). Therefore, identifying and being aware of such values is essential, as they may distort the model fit (Field, 2006).

In this, out of 100 only 1 outlier was found and thus removed from the data set reducing the data set to 99.
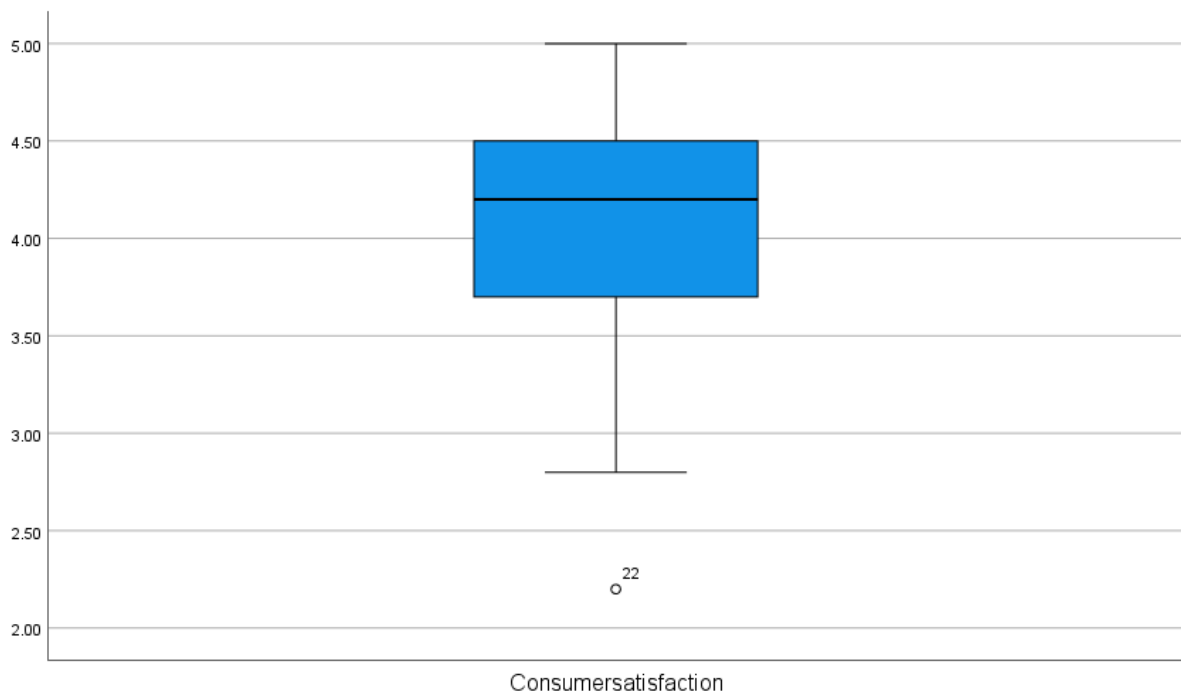
**FIGURE 1: Outliners of consumer satisfaction**

- **Normality/Normal Distribution**

In statistics terminology, normal distribution refers to the data that is evenly distributed. It is in bell shaped curve- equal distribution of the sets i.e., data is evenly distributed on both sides of a perpendicular lin. In SPSS descriptive statistics are used to calculate kurtosis and skewness for the data. The value must be between -1 and +1 for the data to be normally distributed.

In this study normality was checked using the P-P Plots, Q-Q Plots.

P-P Plots are graphs that plot cumulative probability of a variable against cumulative probability of the distribution.

Q-Q Plot also plots the quantiles of the data set instead of every individual score in the data.

Normal P-P Plot of Consumerloyalty
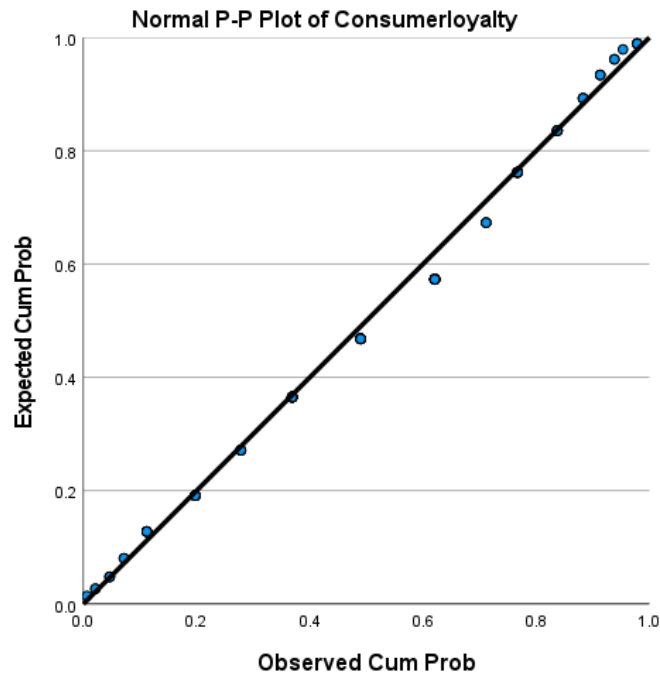
FIGURE 2: P-P Plot showing normal distribution of data for consumer loyalty

P-P graph plots the actual Z-score against the expected Z-score, in case of a normally distributed data; actual Z-scores being equal to the expected Z-scores, data points would lie on the diagonal line without any deviations. Figure 6 shows that the data for social intelligence is normally distributed, as data points lie along the diagonal

Normal Q-Q Plot of Consumerloyalty
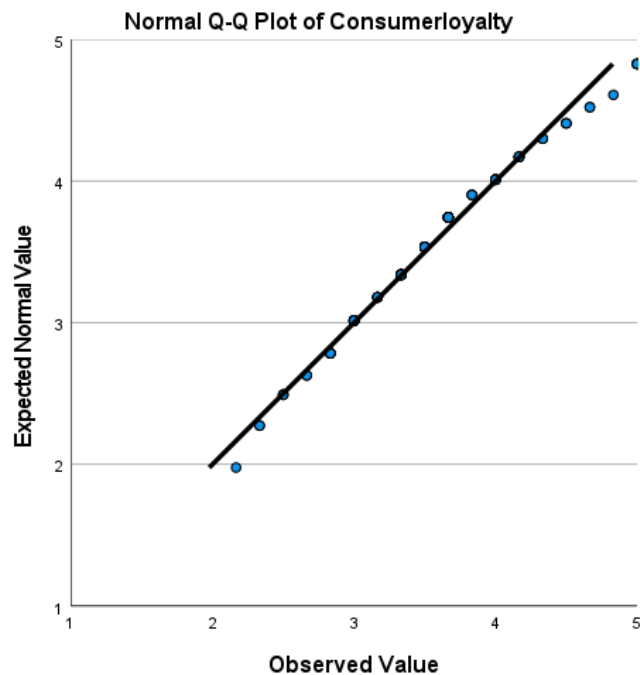
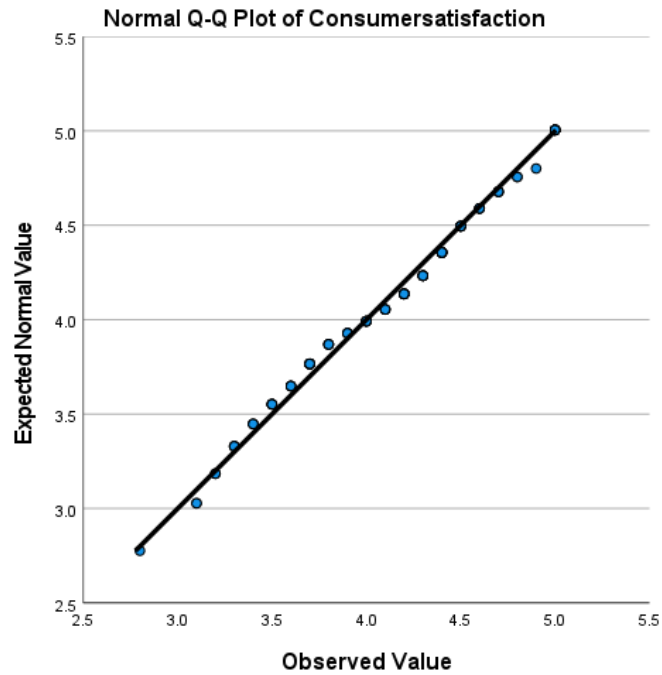line of the P-P plot. **FIGURE 3: Q-Q Plot showing Normal Distribution for Data on Consumer loyalty**

shows the Q-Q chart for data on consumer loyalty Q-Q plot shows the expected values are located on the diagonal line; thus, the data has normal distribution.

Normal P-P Plot of Consumersatisfaction
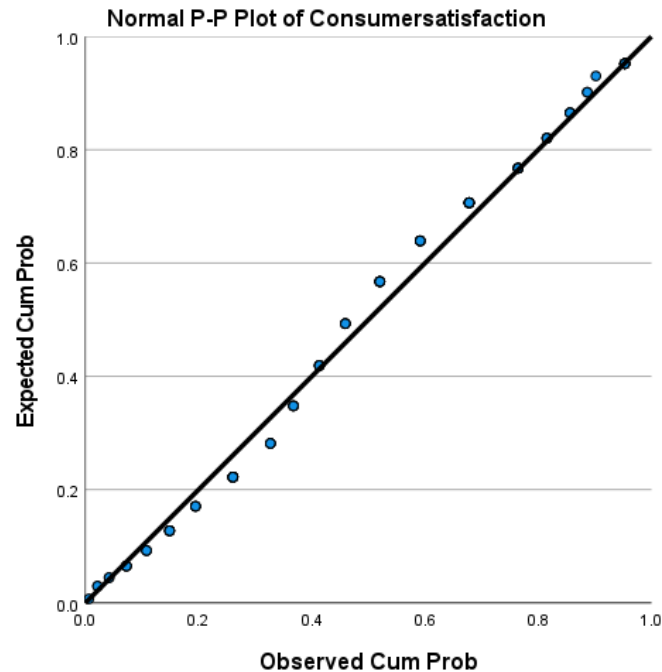
FIGURE 4: P-P Plot showing normal distribution for data on consumer satisfaction

Figure shows the P-P plot for consumer satisfaction. The actual Z scores located along the diagonal line, with a very few deviations, indicating that the data is normally distributed.

Normal Q-Q Plot of Consumersatisfaction

FIGURE 5: Q-Q Plot showing thee normal distribution of data on consumer satisfaction

Figure: Q-Q Plot showing Normal Distribution for Data on Consumer loyalty shows the Q-Q chart for data on consumer loyalty. The expected values are located on the diagonal line; thus, the data has normal distribution.

3.8 Sample distribution

Data has been classified into certain categories based on demographics like age, gender and educational qualification.

Gender

The sample size for the study is 99, out of 37 respondents are male and rest 62 are female.

Gender_code

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	62	62.6	62.6	62.6
	2.00	37	37.4	37.4	100.0
	Total	99	100.0	100.0	
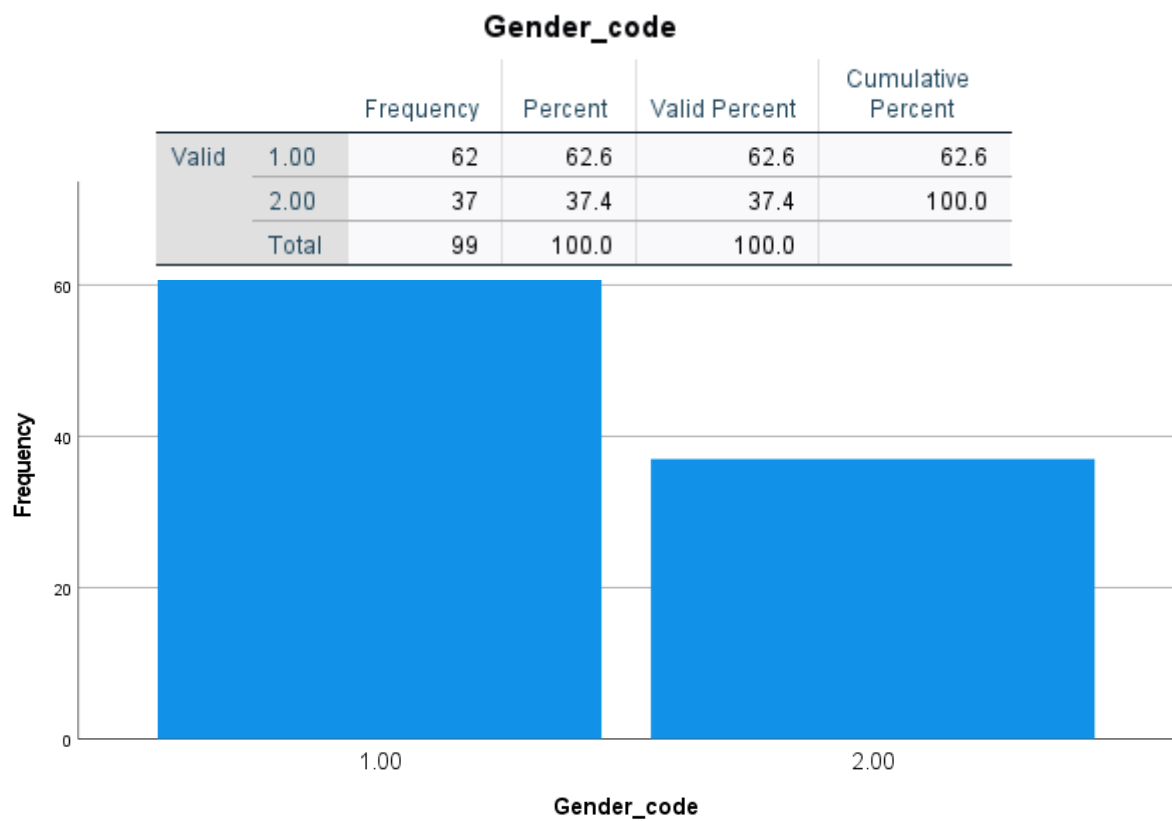
TABLE 1: Distribution of total sample with respect to gender.

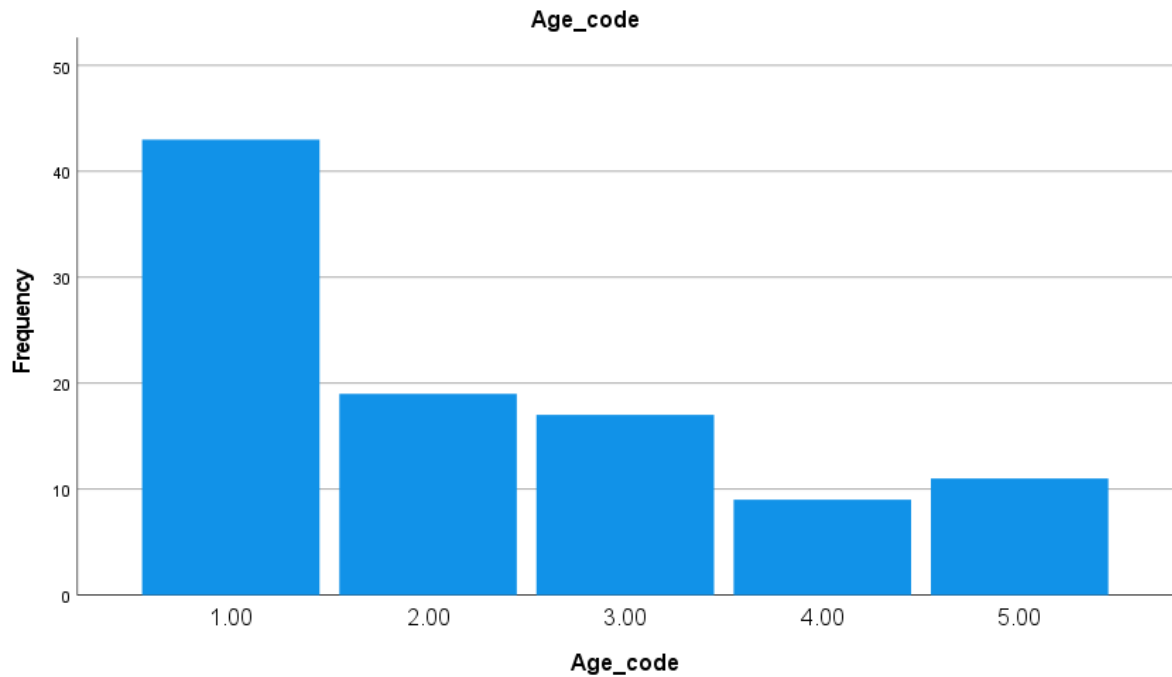 **FIGURE 6: Distribution of total sample with respect to gender**

The above table and figure show that out of 100 samples, 1 being outlier, 62.6% were female and 37.4% were male.

Age

The study focuses on studying perceptions regarding consumer satisfaction and its impact on consumer loyalty. Therefore, the data has been classified into 5 broad age groups- 16-20, 21-30, 31-40, 41-50, 51-60.

Age_code

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	43	43.4	43.4	43.4
	2.00	19	19.2	19.2	62.6
	3.00	17	17.2	17.2	79.8
	4.00	9	9.1	9.1	88.9
	5.00	11	11.1	11.1	100.0
	Total	99	100.0	100.0	

TABLE 2: Distribution of total sample with respect to age

Age_code

FIGURE 7: Distribution of total sample with respect to age

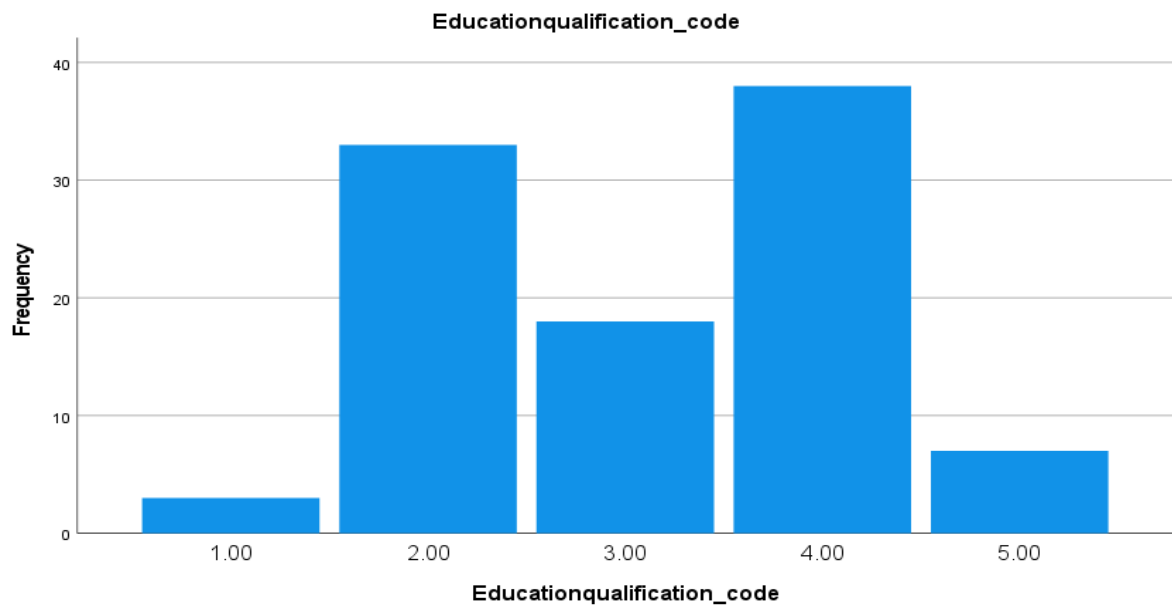Figure gives a diagrammatic representation of age wise distribution of the respondents.

Educational qualification

For this research project data has been collected from various respondents with different educational qualification.

This research program intends to focus on consumer coming from different educational backgrounds.

Educationqualification_code

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	3	3.0	3.0	3.0
	2.00	33	33.3	33.3	36.4
	3.00	18	18.2	18.2	54.5
	4.00	38	38.4	38.4	92.9
	5.00	7	7.1	7.1	100.0
	Total	99	100.0	100.0	

TABLE 3: Distribution of the total sample with respect to educational qualification

Educationqualification_code

FIGURE 8: Distribution of the total sample with respect of educational qualification

Table and figure give a diagrammatic representation of educational qualification distribution of the respondents.

CHAPTER 4: DATA ANALYSIS

4.1 Introduction

This portion highlights on the study and discovery of connection between the independent and dependent variables to achieve the defined research objectives. Chapter 3 detailed the research methodology adopted for the data analysis.

Most of descriptive and inferential statistical tools have been used to evaluate the data. The descriptive statistical tools include frequencies, mean, mode, median, and standard deviation. Meanwhile, inferential statistical techniques such as the T-test, ANOVA, correlation, stepwise regression, and path analysis used to further interpret the data.

4.2 Descriptive statistics

Descriptive statistics refer to that of summarize and describe the dataset given. These statistics provide simple summaries about the study no and the measures. The most commonly used descriptive statistics include the mean, mode, median, and standard deviation.

TABLE 4: OVERALL DESCRIPTIVE STATISTICS OF CONSUMER LOYALTY

Statistics

Consumerloyalty

N	Valid	99
	Missing	0
Mean		3.5505
Median		3.5000
Mode		3.67
Std. Deviation		.63059
Variance		.398
Skewness		.321
Std. Error of Skewness		.243
Kurtosis		-.081
Std. Error of Kurtosis		.481
Range		2.83

Table shows the overall descriptive statistics of consumer loyalty, mean being 3.55, median being 3.50, mode being 3.67, standard deviation being .630, variance being .398 and range being 2.83.

TABLE 5: OVERALL DESCRIPTIVE STATISTICS OF CONSUMER SATISFACTION

Statistics

Consumersatisfaction

N	Valid	98
	Missing	1
Mean		4.1092
Median		4.2000
Mode		4.40
Std. Deviation		.53498
Variance		.286
Skewness		-.133
Std. Error of Skewness		.244
Kurtosis		-.743
Std. Error of Kurtosis		.483
Range		2.20

Table shows the overall descriptive statistics of consumer satisfaction, mean being 4.10, median being 4.20, mode being 4.40, standard deviation being .534, variance being .286 and range being 2.20.

4.3 Inferential Statistics

4.3.1 T-Test

It is used to compare the means from two samples. While comparing means from more than two samples ANOVA is used. In this study T-test has been applied to compare means on the basis of gender, age and educational qualification.

- **GENDER**

Table 6: Group statistics of mean regarding consumer loyalty with respect to gender.

Group Statistics

	Gender_code	N	Mean	Std. Deviation	Std. Error Mean
Consumerloyalty	1.00	62	3.5376	.58317	.07406
	2.00	37	3.5721	.71096	.11688

This table shows the mean value on the basis of gender for consumer loyalty, the mean score of females is 3.53 and standard deviation is .583 on the other hand the mean score of males is 3.57 and standard deviation is .710.

Table 7: t-test: comparison of mean regarding consumer loyalty with respect to gender.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Consumerloyalty	Equal variances assumed	5.199	.025	-.262	97	.794	-.03444	.13163	-.29568	.22681
	Equal variances not assumed			-.249	64.570	.804	-.03444	.13837	-.31082	.24194

This table shows the comparison of mean value for consumer loyalty across the two gender groups. For interpreting the t-test, we analyse the significance level in the levene's test for equality of variances i.e., the significance level in the levene's is .025 which is greater than 0.05 that signifies that the equality of variance is fulfilled. Further, analysing the sig(2-tailed) showing that it is greater than .05. This signifies that there is no significant difference in the mean values of consumer loyalty across males and females.

Table 8: group statistic (consumer satisfaction) across gender.

Group Statistics

	Gender_code	N	Mean	Std. Deviation	Std. Error Mean
Consumersatisfaction	1.00	61	4.1279	.49904	.06390
	2.00	37	4.0784	.59542	.09789

This table shows the mean values on the basis of gender for consumer satisfaction, the mean of females is 4.12 and standard deviation is .499. The mean values on the basis of males are 4.07 and standard deviation is .595.

Table 9: t-test: comparison of means regarding consumer satisfaction with respect to gender.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Consumersatisfaction	Equal variances assumed	1.931	.168	.442	96	.659	.04949	.11194	-.17271	.27169
	Equal variances not assumed			.423	66.023	.673	.04949	.11689	-.18390	.28288

This above table shows the comparison of mean values for the variables- consumer satisfaction between two gender groups. For interpreting the t- Test, we first analyse **the significance level in the Levene's Test for Equality of Variances** i.e., first table, the significance level in the Levene's is **.168** which is greater than **0.05** that signifies that the equality of variances is fulfilled. Further, analysing the Sig(2-tailed) showing .659 that it is greater than .05. This signifies that there **is no significant difference in the mean values** of consumer satisfaction across males and females.

4.3.2 Anova Test

ANOVA (Analysis of Variance) is a statistical technique that tests for differences in

28

the means of several groups. The analysis of variance is a technique for using differences between sample means to draw inferences about the presence or absence of differences between population means.

ANNOVA 1: comparison of mean with respect to consumer loyalty across different

age groups.

Table 10: overall descriptive statistics of consumer loyalty in age group

Descriptives

Consumerloyalty

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1.00	43	3.6047	.59653	.09097	3.4211	3.7882	2.33	5.00
2.00	19	3.5965	.68789	.15781	3.2649	3.9280	2.83	5.00
3.00	17	3.6078	.63722	.15455	3.2802	3.9355	2.50	5.00
4.00	9	3.2407	.65145	.21715	2.7400	3.7415	2.17	4.17
5.00	11	3.4242	.65981	.19894	2.9810	3.8675	2.83	4.83
Total	99	3.5505	.63059	.06338	3.4247	3.6763	2.17	5.00

Above table shows the mean and standard deviation scores of consumer loyalty

across age groups.

Table 11: test of homogeneity of variance for age

Tests of Homogeneity of Variances

		Levene Statistic	df1	df2	Sig.
Consumerloyalty	Based on Mean	.533	4	94	.711
	Based on Median	.323	4	94	.862
	Based on Median and with adjusted df	.323	4	90.450	.862
	Based on trimmed mean	.479	4	94	.751

The significance level is .711, which is greater than 0.05, hence equality of variance

is assumed. Therefore, homogeneity of variance exists.

Table 12: ANOVA: Comparison of means with respect to age

ANOVA

Consumerloyalty

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.261	4	.315	.786	.537
Within Groups	37.709	94	.401		
Total	38.970	98			

Table shows the significance level is .537 greater than 0.05. Therefore, there is no significance difference with respect to consumer loyalty across age groups.

ANNOVA 2: Comparison of means with respect to consumer loyalty across different educational qualification.

Table 13: descriptive statistics of consumer loyalty (educational qualification)

Descriptives

Consumerloyalty

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1.00	3	3.7778	.19245	.11111	3.2997	4.2559	3.67	4.00
2.00	33	3.4798	.50819	.08846	3.2996	3.6600	2.33	4.50
3.00	18	3.7685	.80671	.19014	3.3674	4.1697	2.67	5.00
4.00	38	3.5000	.68554	.11121	3.2747	3.7253	2.17	5.00
5.00	7	3.5000	.38490	.14548	3.1440	3.8560	3.00	4.00
Total	99	3.5505	.63059	.06338	3.4247	3.6763	2.17	5.00

Above table shows the mean and standard deviation scores of consumer loyalty across different educational qualification.

Tests of Homogeneity of Variances

		Levene Statistic	df1	df2	Sig.
Consumerloyalty	Based on Mean	4.396	4	94	.003
	Based on Median	4.009	4	94	.005
	Based on Median and with adjusted df	4.009	4	85.777	.005
	Based on trimmed mean	4.404	4	94	.003

TABLE 14: test of homogeneity of variance for educational qualification (consumer loyalty)

The above table shows educational qualification wise comparison of mean using anova. This reveals the significance level (based on mean) is 0.03 which is less than 0.05, signifying the condition is not fulfilled. There is a significance difference in the mean values to consumer loyalty across educational qualification. Thus, analysing robust test of equality of means, which comes out to be .284 which is greater than 0.05. Therefore, there is no significant difference of consumer loyalty with respect to educational qualification.

ANNOVA 3: Comparison of means with respect to consumer satisfaction across age groups.

Tests of Homogeneity of Variances

		Levene Statistic	df1	df2	Sig.
Consumersatisfaction	Based on Mean	.909	4	93	.462
	Based on Median	.813	4	93	.520
	Based on Median and with adjusted df	.813	4	88.270	.520
	Based on trimmed mean	.900	4	93	.467

ANOVA

Consumersatisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.057	4	.264	.920	.456
Within Groups	26.705	93	.287		
Total	27.762	97			

TABLE 15: test of homogeneity of variance and TABLE 16: ANOVA

Comparison of mean of consumer satisfaction with respect to age.

The significance level is .462 which is greater than 0.05, hence equality of variance is fulfilled. Now, we look on the other table significance level which is also greater than 0.05. hence, there is no significant difference in mean values respect to consumer satisfaction across age groups.

ANOVA 4: Comparison of means with respect to consumer satisfaction across different educational qualification.

Descriptives

Consumersatisfaction

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1.00	3	4.0333	.15275	.08819	3.6539	4.4128	3.90	4.20
2.00	33	4.2212	.42629	.07421	4.0701	4.3724	3.30	5.00
3.00	17	4.0176	.73249	.17766	3.6410	4.3943	2.80	5.00
4.00	38	4.0526	.54907	.08907	3.8722	4.2331	3.10	5.00
5.00	7	4.1429	.49281	.18626	3.6871	4.5986	3.50	4.90
Total	98	4.1092	.53498	.05404	4.0019	4.2164	2.80	5.00

TABLE 17: descriptive statistics of consumer satisfaction (educational qualification)

Tests of Homogeneity of Variances

		Levene Statistic	df1	df2	Sig.
Consumersatisfaction	Based on Mean	4.981	4	93	.001
	Based on Median	3.524	4	93	.010
	Based on Median and with adjusted df	3.524	4	76.227	.011
	Based on trimmed mean	4.948	4	93	.001

TABLE 18: test of homogeneity of variances

ANOVA

Consumersatisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.703	4	.176	.604	.660
Within Groups	27.058	93	.291		
Total	27.762	97			

TABLE 19: ANOVA: comparison of mean regarding consumer satisfaction with respect to educational qualification.

The significance level based on mean is 0.01 which is less than 0.05. now we look on the other table, the significance level is .660 which is greater than 0.05. hence, there is no significant difference in mean values.

4.3.3 Correlation

It is used to measure whether two variables are related or not. Measure of the degree of a relationship between two variables represented by correlation coefficient. Value of correlation coefficient vary from -1 to +1 indicating that a correlation may range from a perfectly negative to a positive.

To establishing a connection between the dependent and independent variables correlational analysis has been carried out.

Correlations

		Consumerloyalty	Consumersatisfaction
Consumerloyalty	Pearson Correlation	1	.646**
	Sig. (2-tailed)		<.001
	N	99	98
Consumersatisfaction	Pearson Correlation	.646**	1
	Sig. (2-tailed)	<.001	
	N	98	98

**. Correlation is significant at the 0.01 level (2-tailed).

TABLE 20: correlation analysis

According to the guidelines of J. Cohen (1988), 0.5 is a large r, 0.3 is moderate, and 0.1 is small. Reviewing the upper table, there is a significant correlation-ship but there is moderate association (0.646) between consumer loyalty and consumer satisfaction.

4.3.4 Regression

There is a significant correlation but there is a strong association between two variables,
Satisfaction and loyalty, as we have .646 correlation.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.646[a]	.418	.412	.48622

a. Predictors: (Constant), Consumersatisfaction

TABLE 21: regression analysis

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.272	1	16.272	68.830	<.001[b]
	Residual	22.695	96	.236		
	Total	38.967	97			

a. Dependent Variable: Consumerloyalty

b. Predictors: (Constant), Consumersatisfaction

TABLE 22: ANOVA: Comparison of means across the two variables

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.405	.382		1.059	.292
	Consumersatisfaction	.766	.092	.646	8.296	<.001

a. Dependent Variable: Consumerloyalty

TABLE 23: coefficients comparing the two variables.

Reviewing the model summary, that is, R square is 0.418 that is 41.8%, indicating consumer satisfaction is impacting 41.8% change in consumer loyalty.

Ideally R square should be more than 25% for the independent variable to have a significant impact on dependent variable. And there it's greater than 25%.

So, consumer satisfaction do not a significant result on consumer loyalty. Reviewing the ANOVA table, the significance level is 0.01 that is less than 25% or 0.25, therefore we reject null hypothesis.

Therefore, we can conclude than if the independent variable (consumer satisfaction) increases by 1 unit, then the dependent variable (consumer loyalty) changes by 0.646.

CHAPTER 5: RESULT AND CONCLUSION

Organizations across industries aim to build and sustain lasting connections—not just with customers, but also within their broader business ecosystems. In doing so, it becomes crucial to pay close attention to customer satisfaction, which has a unswerving aftermath on overall performance as well strategic extension. Meeting consumer needs and expectations is vital for nurturing these relationships and achieving long-term success.

This research underscores the pivotal association between consumer satisfaction and loyalty. It reveals in what way customer perceptions influence repeated buying behavior, positive brand sentiment, and retention. Businesses that deliver high satisfaction levels tend to enjoy increased loyalty, which contributes to customer lifetime value and brand advocacy. At the same time, dissatisfaction often leads to negative word-of-mouth, affecting both reputation and profitability.

Amazon and Flipkart were selected as focal points due to their dominance in the Indian e-commerce space. By collecting responses from customers of both platforms, the study gathered key insights on how service quality, pricing, and user experience influence loyalty. The research adopted a quantitative approach, utilizing a structured questionnaire to measure perceptions and patterns across a diverse demographic.

Findings showed that while a large portion of users expressed satisfaction, there were still areas needing attention. Both companies must identify and address gaps that impact consumer trust and loyalty. Businesses should consistently assess satisfaction levels at different touchpoints—before, during, and after the purchase—to fully understand the customer journey.

In essence, this research confirms that customer satisfaction and loyalty are not only closely connected but are also foundational to a company's sustained success in competitive digital marketplaces. By aligning services with consumer expectations, e-commerce platforms can improve retention, build strong brand equity, and maintain market leadership.

<u>ANNEXURE</u>

RESEARCH QUESTIONNAIRE:

Personal details

Name

Your answer

Gender *

◯ Female

◯ Male

◯ Prefer not to say

Age *

◯ 16-20

◯ 21-30

◯ 31-41

◯ 41-50

◯ 51-60

◯ 60+

Education qualification *

○ 10th pass out

○ 12th pass out

○ Graduate

○ Post graduate

○ Diploma

○ PhD

Name of the organization

Your answer

Designation *

Your answer

Work experience (if employed)

○ Less than 5 years

○ 6-10 years

○ 11-15 years

○ More than 15 years

Designation *

Your answer

Work experience (if employed)

○ Less than 5 years

○ 6-10 years

○ 11-15 years

○ More than 15 years

Where do you often shop from? *

○ Amazon

○ Flipkart

SECTION 2

CONSUMER LOYALTY

1 On a scale of 1-5 how likely are you to recommend Amazon/flipkart services?	1 2 3 4 5
2 How likely are you to switch to a competing organization?	1 2 3 4 5
3 How likely are you to keep patronizing amazon/flipkart?	1 2 3 4 5
4 How likely are you convince others to shop from amazon/ flipkart?	1 2 3 4 5
5 How likely are you to expand the use of amazon/flipkart services?	1 2 3 4 5

6 On the scale of 1-5 how convenient is amazon/flipkart to you?	1 2 3 4 5
7 For how long have you been patronizing amazon/flipkart service?	

SURVEY RESULTS:

.. On a scale of 1-5 How likely are you to recommend Amazon/ flipkart services?
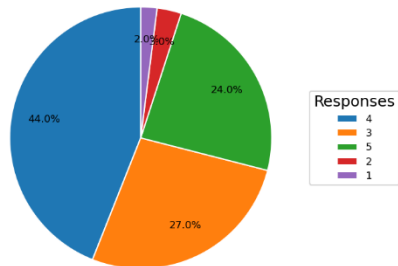
2. How likely are you to switch to a competing organization?
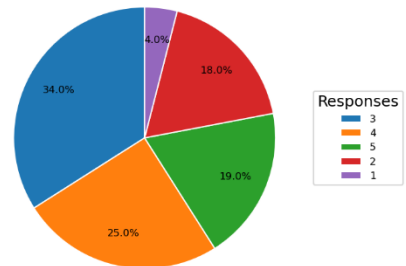
3. How likely are you to keep patronizing Amazon/flipkart?
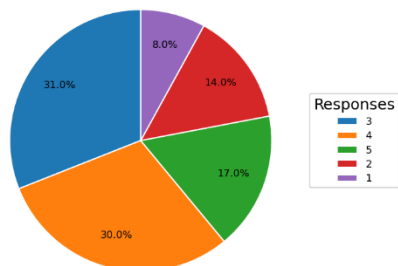
4. How likely are you to convince others to shop from Amazon/flipkart?
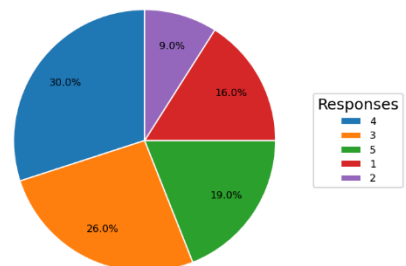
5. how likely are you to expand the use of Amazon/flipkart service?
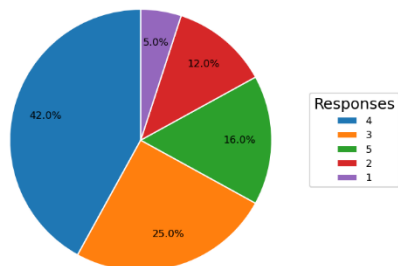
6. on the scale of 1-5 How convenient is Amazon/flipkart service to you?
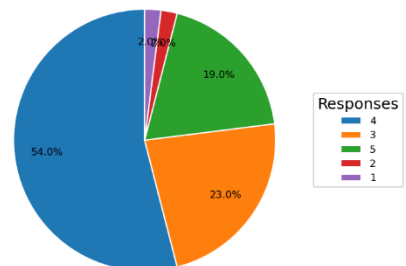
7. For how long have you been patronizing Amazon/flipkart service?
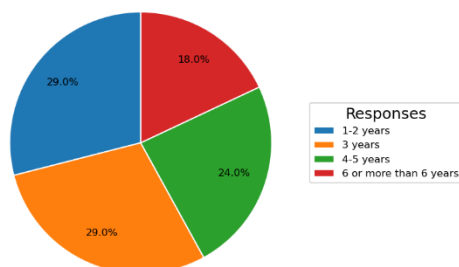
CONSUMER SATISFACTION

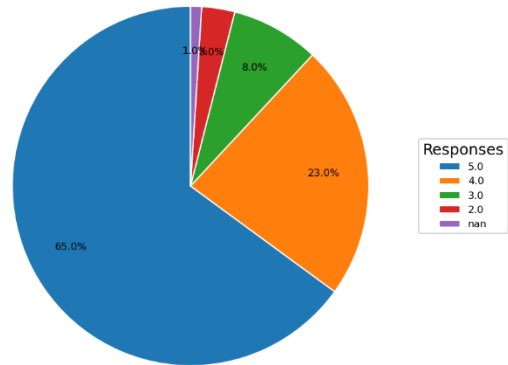| 1 The service quality of amazon/flipkart sellers is important.	1 2 3 4 5
2 so far, you are generally satisfied with the service quality of amazon/flipkart?	1 2 3 4 5
3 The speed of amazon/flipkart delivery is important to you.	1 2 3 4 5
4 The price is important when you shop from Amazon/flipkart?	1 2 3 4 5
5 so far, you are generally satisfied with the price tag of amazon/flipkart?	1 2 3 4 5
6 You will not repurchase the product again from amazon/flipkart if there is a great difference between your exception and the real?	1 2 3 4 5
7 the difference between your expectations and the real products would influence your satisfaction?	1 2 3 4 5
8 If amazon/flipkart deals with your complaints very well will you continue to buy something from it?	1 2 3 4 5
9 So far, you are satisfied with the speed of delivery of amazon/flipkart products?	1 2 3 4 5
10 You are overall satisfied with your experience of shopping from amazon/flipkart?	1 2 3 4 5

SURVEY RESULTS:

1.The service quality of Amazon/flipkart sellers is important.
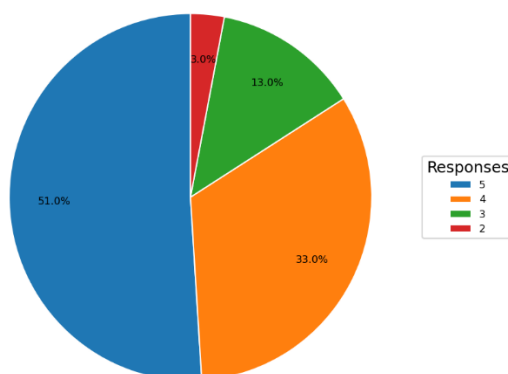
2. So far, you are generally satisfied with the service quality of Amazon/flipkart?
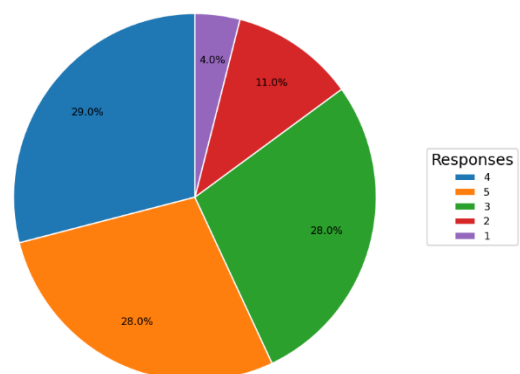
3.The speed of Amazon/flipkart delivery is important to you.
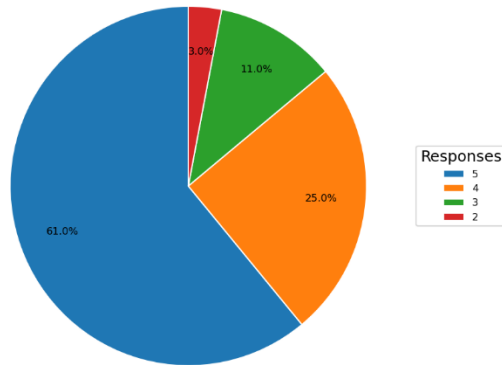
Responses
- 5
- 4
- 3
- 2

3.0%
11.0%
25.0%
61.0%

4.The price is important when you shop from amazon/flipkart?

Responses
- 5.0
- 4.0
- 3.0
- 2.0
- nan

1.0% 1.0%
8.0%
23.0%
65.0%

5.So far, you are generally satisfied with the price tag of Amazon/flipkart?

1
2
3
4
5

10.0%
16.0%
21.0%
22.0%
31.0%
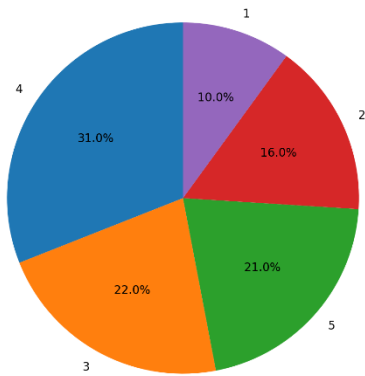
6. You will not repurchase the products again from Amazon/flipkart if there is a great difference between your expectation and the real?

1
2
3
4
5

3.0% 6.0%
14.0%
22.0%
55.0%
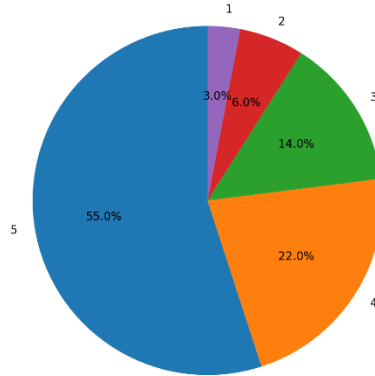
7. The differences between your expectations and the real products would influence your satisfaction?
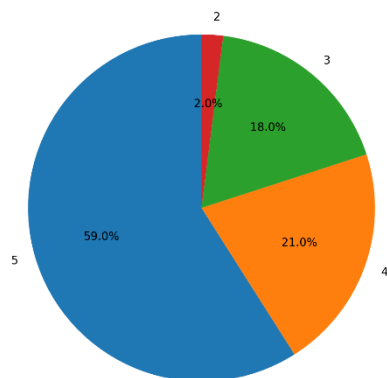
2
3
4
5

2.0%
18.0%
21.0%
59.0%

8. If amazon/flipkart deals with your complaints very well will you continue to buy something from it.

1 2
3
4
5

1.0% 1.0%
13.0%
32.0%
52.0%
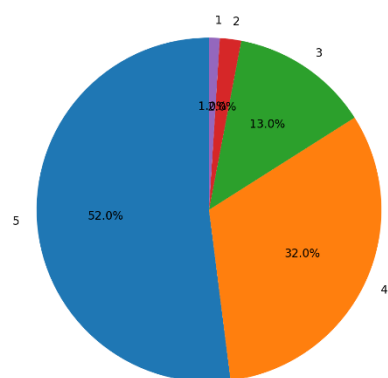
9. So far, you are satisfied with the speed of delivery of Amazon/flipkart products?
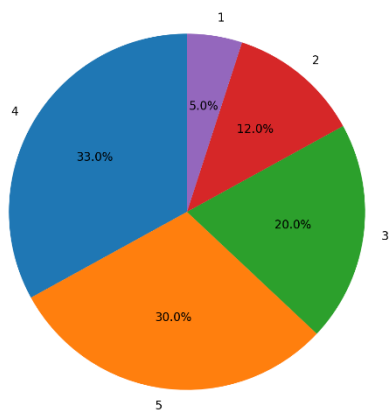
10. You are overall satisfied with your experience of shopping from Amazon/flipkart?
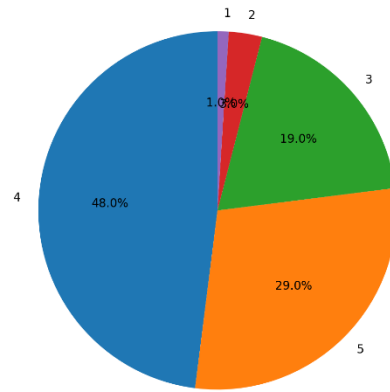
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